

the first electronic device and the second electronic device; and

d. a stylus having at least one fingerprint sensor thereon, the sensor being capable of capturing a digital signature of the customer while the stylus is being used;

wherein the stylus is graspable between a thumb and one or more fingers of the customer's hand with an identifying portion of a thumb or finger of the customer contacting said fingerprint sensor, and wherein the stylus has a tip portion configured for marking on a paper or digital surface; and

wherein access to the customer account is enabled when the sensed digital signature matches a reference digital signature.

#### **REMARKS**

Upon entry of the present amendment, Claims 1-32 remain in the application, of which, Claims 1, 8, 15, 21 and 26 are independent. All of the independent claims now include a limitation that at least some of the data transmission between the first electronic device to the second electronic device being by radio frequency. This limitation further recites the method of data transmission between the two electronic devices.

The above-identified Office Action has been reviewed, the references carefully considered, and the Examiner's comments carefully weighed. In view thereof, the present Amendment is submitted. It is contended that by the present amendment, all bases of rejection set forth in the Office Action have been traversed and overcome. Accordingly, reconsideration and withdrawal of the rejection is respectfully requested.

In the above-identified Office Action, the Examiner has rejected claims 1-32 under 35 USC 103(a) as being unpatentable over U.S. Patent 6,164,528 to Hills et al., in view of the Examiner taking official notice.

The Examiner has taken official notice that

- (1) in the Examiner's view, "it is a well known feature to (use) a stylus with a sensor."

- (2) in the Examiner's view, "it is further known to use a fingerprint at (as) a sensor to acquire information concerning the identity of a person..."
- (3) in the Examiner's view, the features in these claims (4-7, 11-13, 17-20, 23-24 and 29-32) are also very well known."

U.S. Patent 6,164,528 (Hills et al.) is directed at a point of sale system designed to eliminate paper checks, bank reconciliations being accomplished electronically. At the point-of-sale, the system reads indicia from a customer's check, credit card, or manual input. The customer's account is then debited and the merchant's account is credited for the goods or services provided. The point of sale terminals accept a form of credit card with a customer's bank account information encoded thereon or read the MICR number from the customer's check to verify that the customer has sufficient funds available for the transaction. Thereafter, the transaction data is transmitted to a central database, which verifies the customer's credit worthiness and saves the transaction data for subsequent bank reconciliation.

It appears from the examiner's comments that he may not be aware of a portion of the present patent application (beginning at Page 5, Line 10):

"PCT Application No. PCT/US99/17900 entitled "Identification Confirmation System" filed on April 7, 1999; U.S. Patent Application 09/490,687, entitled "Writing Implement and Identity Verification Systems" filed on January 24, 2000; U.S. Patent Application 09/535,411, entitled "Method for Identity Verification" filed on March 20, 2000; and PCT Application No. PCT/US00/19652 entitled "Identity Authentication System and Method" filed July 18, 2000 by the Applicant disclose various systems and configurations for identity authentication using a combination of pen-based and card-based systems."

It appears that this art may not have been considered in the most recent Office Action. Applicant is the inventor of both of these patents and both disclose one or more fingerprint sensors in a stylus. U.S. Patent Application 09/490,687 has now issued as U.S. Patent 6,307,956, and U.S. Patent Application 09/535,411 has now issued as U.S. Patent No. 6,539,101.

These references provide some support to the examiner as to what may be known about mounting fingerprint sensors into a stylus. The '956 patent and the '101 patent show multiple fingerprint sensors in a stylus for the purpose of confirming the identity of the writer. However, neither reference discloses a system or method for

combining radio-frequency identification with such fingerprint sensors and such styluses to confirm the identity of the writer. As such, the claims of the present application, as now amended are patentably distinct from either of the three references, or any combination of them.

The following is a concise explanation of the present invention. Applicant's invention is directed to a pen-based, identity verification system. RFID technology has heretofore been used at gas stations and tollbooths, but it not used in commercial transactions because no signature is required. Applicant's stylus with one or more fingerprint sensors provides a perfect signature, in that the fingerprint(s), written text, and dynamic signature verification are captured therewith. The preferred embodiment of the present invention is for use in commercial transactions at a point-of-sale terminal. A customer advises a merchant that a specific customer account is to be used for payment. The customer also submits a fingerprint that is incidentally captured when the name is signed. Some of the other claims are directed at pen-based noncommercial transactions.

The placement of fingerprint sensors in a stylus is shown in '956 patent and the '101 patent. In addition, Applicant did not invent RFID technology. However, after having done extensive searching of these technologies Applicant is aware of no reference that teaches, discloses, or even suggests any motivation for such combination.

Applicant respectfully traverses the examiner's rejection based upon common knowledge, and respectfully disagrees with the Examiner's factual assertion as not properly officially noticed. Applicant respectfully requests the Examiner to either withdraw the rejection or produce some documentary evidence supporting his position, particularly with respect to combining the fingerprint sensor, a stylus, and radio frequency identification technologies. Applicant further requests that the Examiner reconsider and withdraw the rejection, in the absence of a showing of specific documentary evidence containing all of the claimed features of Applicant's invention, as well as motivation in the art to combine such specific documentary evidence in a way that teaches Applicant's invention.

The USPTO's guidelines regarding when official notice is proper have recently been revised, and are set out in MPEP 2144.03. Official notice unsupported by documentary evidence should only be taken by the examiner where the facts asserted to be well-known, or to be common knowledge in the art, are capable of instant and unquestionable demonstration as being well-known. As noted by the court in *In re Ahlert*, 424 F.2d 1088, 1091, 165 USPQ 418, 420 (CCPA 1970), the notice of facts

beyond the record which may be taken by the examiner must be "capable of such instant and unquestionable demonstration as to defy dispute" (citing *In re Knapp Monarch Co.*, 296 F.2d 230, 132 USPQ 6 (CCPA 1961)).

If official notice is taken of a fact, unsupported by documentary evidence, the technical line of reasoning underlying a decision to take such notice must be clear and unmistakable.

Ordinarily, there must be some form of evidence in the record to support an assertion of common knowledge. See *Lee*, 277 F.3d at 1344-45, 61 USPQ2d at 1434-35. The examiner must provide specific factual findings predicated on sound technical and scientific reasoning to support his or her conclusion of common knowledge. See *Soli*, 317 F.2d at 946, 37 USPQ at 801; *Chevenard*, 139 F.2d at 713, 60 USPQ at 241. The applicant should be presented with the explicit basis on which the examiner regards the matter as subject to official notice and be allowed to challenge the assertion in the next reply after the Office action in which the common knowledge statement was made."

"If the applicant challenges a factual assertion as not properly based upon common knowledge, the examiner must support the finding with adequate evidence. To adequately traverse a finding of Official Notice, the applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. See 37 CFR 1.111(b). In the absence of any demand by appellant for the examiner to produce authority for his statement, a subsequent contention will not be considered. A general allegation that the claims define a patentable invention without any reference to the examiner's assertion of official notice is inadequate. If applicant adequately traverses the examiner's assertion of official notice, the examiner must provide documentary evidence in the next Office Action if the rejection is to be maintained. If the examiner is relying on personal knowledge to support the finding of what is known in the art, the examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2)."

Applicant respectfully suggests that noticed by the Examiner are not well known in Applicant's claimed context and combination; in fact it is Applicant's understanding and belief that they are **unknown** in such context and combination.

The examiner is reminded that to establish a prima facie case of obviousness, there must be some suggestion or motivation, either in the reference itself or in the knowledge generally available to one of ordinary skill in the art, to modify the reference. Also, the prior art must teach or suggest all of the claimed features. The initial burden is on the examiner to provide some suggestion of the desirability of doing what Applicant has done. To support the conclusion that the claimed invention is directed to obvious subject matter, either the reference must be expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the reference. Both the suggestion to make the claimed combination and the reasonable expectation of success must be found in the prior art and not in Applicant's disclosure.

The U.S. Court of Appeals for the Federal Circuit has also said that that in order to combine references, the Examiner must show some motivation, suggestion, or teaching of the desirability of making the combination, *In re Dembiczak*, 50 USPQ 2d 1614 (CAFC 1999); and that the use of hindsight in evaluating patentability, is improper, *In re Werner Kotzab*, 55 U.S.P.Q. 2d 1313 (CAFC 2000).

"A critical step in analyzing the patentability of claims pursuant to section 103(a) is casting the mind back to the time of invention, to consider the thinking of one of ordinary skill in the art, guided only by the prior art references and the then-accepted wisdom in the field. Close adherence to this methodology is especially important in cases where the very ease with which the invention can be understood may prompt one "to fall victim to the insidious effect of a hindsight syndrome wherein that which only the invention taught is used against its teacher." *Id.*

Most, if not all inventions arise from a combination of old elements. Thus, every element of a claimed invention may often be found in the prior art. See *id.* However, identification in the prior art of each individual part claimed is insufficient to defeat patentability of the whole claimed invention. See *id.* Rather, to establish obviousness based on a combination of the elements disclosed in the prior art, there must be some motivation, suggestion or teaching of the desirability of making the specific combination that was made by the applicant (citations omitted)."

Applicant respectfully suggests that the Examiner appears to be evaluating Applicant's invention using improper hindsight, picking and choosing selected portions

of the references and combining those selected portions with 'facts' which the Examiner officially notices, to reconstruct a mosaic of Applicant's invention. Such an approach is inconsistent with the standards set out in the caselaw.

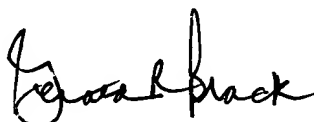
Even if it is assumed, for the sake of argument, that the 'facts' noticed by the Examiner are well known (which is not conceded by Applicant), the Examiner still has not met his burden of showing a motivation, suggestion or teaching to combine all of these elements into a system, or to coordinate these elements in a method as claimed by Applicant. Accordingly, Applicant respectfully submits that even if the '528 patent and the Examiners alleged 'facts' are hypothetically combined for the sake of argument, the combination fails to produce Applicant's invention, as claimed.

Applicant requests reconsideration and withdrawal of the rejection of claims 1-32 as obvious based on the '528 patent in view of the Examiner taking official notice.

### Conclusion

In view of the foregoing remarks, Applicant believes that the present application is in condition for allowance. If after reviewing this Response, there are any remaining informalities that need to be resolved before the application can be passed to issue, the examiner is respectfully requested to contact the undersigned by telephone in order to resolve such matters.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gerald R. Black". The signature is fluid and cursive, with the first name "Gerald" and last name "Black" clearly distinguishable.

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